

19 SEPTEMBER 2024

## Non-Renounceable Rights Issue to Raise up to \$1.7 Million

### Highlights

-  1 for 3 non-renounceable rights issue to raise up to \$1.7 million
-  Attractively priced at 12 cents per share
-  Discount of 14.3% to the last traded price of 14 cents
-  Directors intend to subscribe for their respective entitlements

### Summary:

Cavalier Resources Limited (**ASX:CVR**) (“**Company**”) is pleased to announce that it is conducting a non-renounceable rights issue (“**Rights Issue**”) of one fully paid ordinary share (“**Share**”) for every three Shares held on the record date of 25 September 2024 (“**Record Date**”) at 12 cents per Share to raise up to \$1.7 million before issue costs.

The Rights Issue will be undertaken via an offer document which has been prepared in accordance with section 708AA of the Corporations Act (“**Offer Document**”).

The Rights Issue will include a shortfall facility under which Eligible Shareholders (defined below) that have taken up their full entitlement under the Rights Issue can apply to take up additional Shares in excess of their pro rata entitlement (“**Shortfall Offer**”).

Shares under the Shortfall Offer may also be offered to third parties introduced by the Company or the Lead Manager (defined below). The Shortfall Offer is a separate offer made pursuant to the Offer Document and will remain open for up to 3 months following the Closing Date (as outlined below). The Shares issued under the Shortfall Offer will have the same terms as those issued under the Rights Issue.

The funds raised under the Rights Issue will principally be used to conduct near-mine development and exploration drilling at the Crawford Gold Project, as well as additional drilling at the Ella’s Rock Li-Au-Ni Project, and for general working capital purposes.

The funds to be raised under the rights issue will be deployed primarily to enable the Company to finalise progress of regulatory approvals to enable the Stage 1 open pit at the Crawford Gold Project to advance towards production.

As previously announced, the Company is progressing discussions with potential investment, mining and processing partners, and in particular has commenced discussions with potential project finance providers.

The Rights Issue will be open to all shareholders who have a registered address within Australia or New Zealand on the Record Date (“**Eligible Shareholders**”). The Rights Issue will close on 9

October 2024 (unless extended), and Eligible Shareholders can apply for shortfall in excess of their entitlement.

All Shares issued under the Rights Issue and the Shortfall Offer will rank equally with existing Shares on issue and the Company will apply for quotation of the Shares.

A personalised Entitlement and Acceptance Form will be sent to Eligible Shareholders shortly after the Record Date.

Eligible Shareholders should consider the Offer Document in deciding whether to acquire Shares under the Rights Issue and will need to follow the instructions on the entitlement and acceptance form that will accompany the Offer Document.

Dalton Equities will act as lead manager to the Rights Issue (“**Lead Manager**”). In consideration for the services provided, the Company has agreed to pay/issue to the Lead Manager (or its nominees):

- (a) a management fee of 2.0% of the total amount raised under any Shortfall Offer;
- (b) an arranging fee of 4.0% of the total proceeds raised by the Lead Manager under any Shortfall Offer; and
- (c) 2.5 million options to acquire Shares (“**Options**”) for every 7 million Shares issued under the Rights Issue and any Shortfall Offer), provided an aggregate of no less than \$1,500,000 is raised from the Rights Issue and any Shortfall Offer. It is acknowledged by the Company that up to 55% of Options may be allocated to other broker groups/intermediaries according to their allocation of equity investment.

## Key Dates:

The following are indicative dates in respect of the Rights Issue:

Event	Date
Announcement of Rights Issue	19 September 2024
Ex-date	24 September 2024
Record date for determining entitlements (5.00pm WST)	25 September 2024
Offer Document and personalised Entitlement and Acceptance Forms sent to Eligible Shareholders	30 September 2024
Last day to extend closing date (before noon AEDT)	4 October 2024
Closing date of Rights Issue (2.00pm WST)	9 October 2024
Announcement of Results	16 October 2024
Issue Date	16 October 2024
Normal trading of Shares Dispatch of holding statements	17 October 2024

*All dates and times are indicative only and subject to change. The Company reserves the right to withdraw the Rights Issue or amend all or any of these dates and times without notice, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.*

## Intended Use of Funds:

The Company intends to apply the funds raised towards the following projects:

### Crawford Gold Project:

-  Finalise progress of regulatory approvals to advance towards the Stage 1 oxide only open pit through to production.
-  Appoint a General Manager, Operations (GMO).
-  Conduct near-mine development drilling.

### Ella's Rock Li-Au-Ni Project:

-  Follow up on recent drill results from the Company's maiden aircore program, which included assay results of 15m at 3.15% Ti from 23m, including 8m at 3.43% from 23m, and a peak of 1m at 3.68% Ti from 25m (see ASX announcement 11 September 2024)

Funds raised under the Rights Issue will also be used to fund the costs of the Rights Issue, along with providing ongoing working capital for the Company.

## About Cavalier Resources:

The Company has interests in three main project areas in Western Australia that are prospective for gold, nickel, titanium and lithium mineralisation (see **Figure 1**).

### Crawford Gold Project, Stage 1 Oxide Only Pit:

The Company's flagship asset is the Crawford Gold Project, located 25km east of the Tier 1 gold fields mining town of Leonora, Western Australia.

The Company recently completed a Stage 1 Oxide-only Pre-Feasibility Study ('PFS') that was constrained to the highly recoverable, low cost, oxidised portion of the Mineral Resource for application to heap leach processing.

The PFS Maiden Ore Reserve for Stage 1 oxide pit was **1Mt @ 0.91g/t for 29,300oz of gold** with a pre-CAPEX undiscounted cashflow of **A\$24.6M**, NPV<sub>8</sub> of **A\$15.7M** and an IRR of **130%** using a gold price of **A\$2,900/oz**.

The Ore Reserve estimate relates specifically to the conversion of Indicated Resources to Probable Ore Reserves only within the Crawford pit design and includes consideration of the modifying factors.

**Ore Reserve Estimate**

Reserve Classification	Ore Tonnes	Gold (g/t)	Gold Produced (Oz)
Probable	1,002kt	0.91	29,300
<b>Total</b>	<b>1,002kt</b>	<b>0.91</b>	<b>29,300</b>

*Some errors may occur due to rounding. Mineral Resources are reported inclusive ore Ore Reserves. Ore Reserves are based on a gold price of \$2,900/oz. A cut-off grade of 0.3g/t was calculated based on the base case cost and processing recovery inputs and was used to generate the production schedule and calculate the Ore Reserve. Note that Ore Reserves are susceptible to geological, economic, geotechnical, permitting, metallurgical, mining, processing and other factors.*

For more information on the Ore Reserve and Stage 1 Oxide PFS, please refer to the ASX announcements on 14 March 2024 and 5 September 2024.

### Cautionary Statement:

*The production target and forecast financial information referred to in this announcement comprise Indicated Mineral Resources (99.8%) and Inferred Mineral Resources (0.2%) within the planned Stage 1 oxidised pit at the Crawford Gold Project. There is a low-level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated mineral resources or that the production target itself will be realised.*

**Competent Persons Statements:**

The information relating to geology and exploration results is based on information compiled, reviewed and assessed by Mr. Paddy Reidy, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Reidy is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

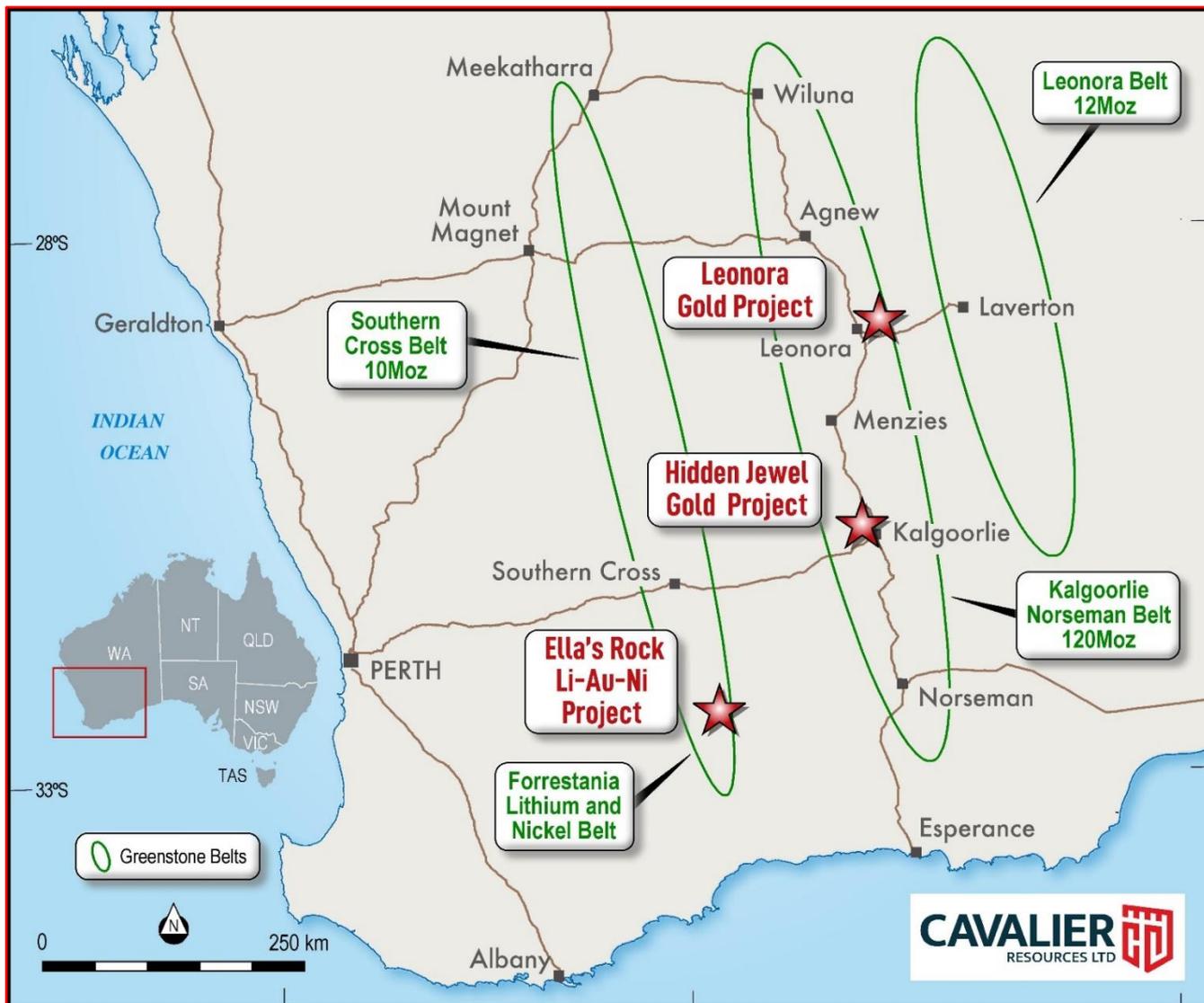
The scientific or technical information in this report that relates to metallurgical test work and mineral processing for oxide mineralisation is based on information compiled or approved by Randall Pyper. Randall Pyper is an employee of Kappes, Cassidy & Associates Australia Pty Ltd and is considered to be independent of Cavalier Resources. Randall Pyper is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves.

The information in this report that relates to Ore Reserves is based on information compiled by Anthony Keers, a Competent Person who is a Member and Chartered Professional (CP Mining) of The Australasian Institute of Mining and Metallurgy. Anthony Keers is Managing Director of Auralia Mining Consulting and Non-Executive Director of Cavalier Resources Ltd. Anthony Keers has sufficient experience that is relevant to the type of deposit and proposed mining method under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Keers consents to the inclusion of the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Company also confirms that all the material assumptions underpinning the production target, or the forecast financial information derived from the production target, in the initial public report continue to apply and have not materially changed.



**Figure 1: Cavalier's Three Western Australian Project Areas**

**Disclaimer**

This announcement includes forward-looking statements that are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Cavalier Resources Limited, the directors and the Company's management. Such forward-looking statements are not guarantees of future performance.

Examples of forward-looking statements used in this announcement include use of the words 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intend' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of announcement, are expected to take place.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place undue reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement.

Subject to any continuing obligations under applicable law and the ASX Listing Rules, Cavalier Resources Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

This announcement has been approved and authorised by the Board of Cavalier Resources Limited.

**For further information:**

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